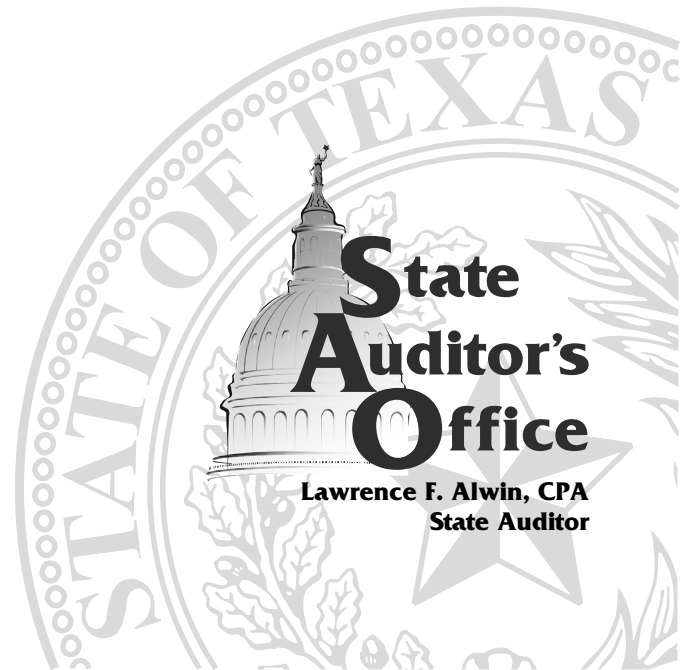A Classification Compliance Audit Report on

The State's Library and Records Positions

October 2004
Report No. 05-702

State
Auditor's
Office

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A Classification Compliance Audit Report on the
State's Library and Records Positions

Overall Conclusion

The State Classification Office reviewed 252 library and records positions and found that 52 (21 percent) of these positions are misclassified. State agencies may spend up to $27,185 to properly classify these positions.

Key Points

Twenty-one percent of library and records positions were identified as misclassified.

Of the 252 library and records positions reviewed, 52 (21 percent) were identified as misclassified. The majority of misclassifications were a result of agencies' classifying positions in a class series inconsistent with the duties performed.

State agencies may spend up to $27,185 to properly classify positions.

Collectively, state agencies may spend up to $27,185 to properly classify positions that were misclassified. In most cases, agencies were able to reclassify positions without changing the salaries. Nine positions required salary increases ranging from $1,200 to $4,140 annually.

Proper employee classification is important because it reduces the financial and business risks associated with misclassified positions.

The State of Texas spends more than $5 billion annually on compensating state employees (excluding employees at institutions of higher education). Therefore, ensuring that employee classification and pay are managed appropriately is critical in avoiding a chaotic structure and in reducing legal risks associated with inequitable pay.

Summary of Objective, Scope, and Methodology

The objective of this classification compliance audit was to determine whether agencies conform to the Position Classification Plan by ensuring proper classification of positions.

The scope of this audit included employees classified within the Archeologist, Historian, Library Assistant, Librarian, Archivist, Exhibit Technician, and Museum Curator class series. We also reviewed positions that agencies identified as performing similar work but that were classified in other class series.

The State Classification Office uses the classification method of job evaluation when reviewing positions and determining proper classifications. These determinations are primarily based on the comparison of duties and responsibilities being performed with the state job description for each position.

Detailed Results

Of the 252 library and records positions reviewed for this classification compliance audit, 52 positions (21 percent) were misclassified. The positions reviewed included Archeologists, Historians, Library Assistants, Librarians, Archivists, Exhibit Technicians, and Museum Curators (see Table 1). We also reviewed positions that agencies identified as performing similar work but that were classified in other class series.

Table 1

Positions Reviewed	
Class Series	Number of Employees
Archeologist	16
Historian	13
Library Assistant	37
Librarian	114
Archivist	10
Exhibit Technician	24
Museum Curator	2
Other Classes	36
Total	252

Chapter 1-A
Classification

Most agencies appropriately classify their library and records positions. Of the 252 library and records positions reviewed, 52 (21 percent) were identified as misclassified.

As Table 2 shows, the majority of misclassifications were a result of agencies' classifying positions in class series that were inconsistent with the duties performed.

Table 2

Analysis of Misclassified Positions				
Class Series	Number of incumbents reclassified to a higher level within the same class series	Number of incumbents reclassified to a lower level within the same class series	Number of incumbents reclassified to a more appropriate class series	Number of incumbents who had their duties restructured to remain in their current class titles
Archeologist	1	0	1	0
Historian	5	0	0	0
Library Assistant	0	0	1	0
Librarian	1	0	0	2
Archivist	1	0	0	0
Exhibit Technician	0	0	39	1
Museum Curator	0	0	0	0
Total Misclassifications	8	0	41	3

Collectively, state agencies may spend up to $27,185 to properly classify positions that were misclassified. In most cases, agencies were able to reclassify positions without changing the salaries. Nine positions required salary increases ranging from $1,200 to $4,140 annually.

Spot Audits, Follow-Up Calls, and Audit Exceptions

We conducted spot audits with and made follow-up calls to six agencies covering 69 positions to gather additional information and ensure proper classification of positions. All of these positions were determined to be properly classified.

Chapter 1-C
Experience and Education Levels

To better understand the experience level of employees, we surveyed the number of years employees had worked in their occupational fields. As Figure 1 shows, most employees in senior level positions have more occupational experience than those in staff level positions, with the exception of the Historian class series.

Figure 1
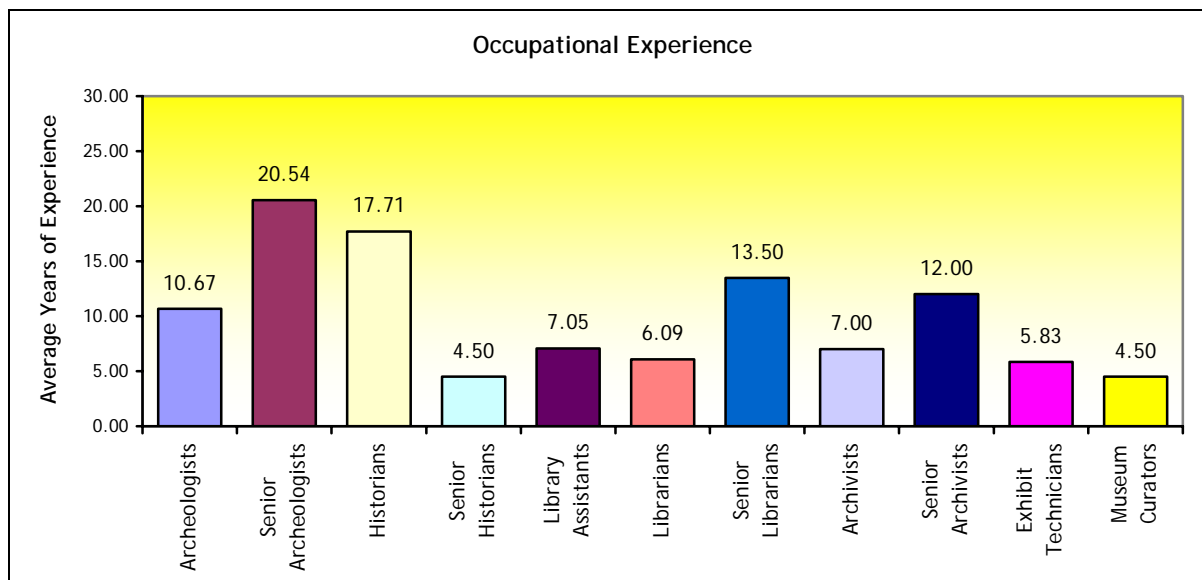
Additionally, we studied the educational levels of the employees. As Table 3 shows, most employees have obtained bachelor's or higher-level degrees, with the exception of Librarians.

Table 3

Percentage of Employees by Highest Level of Education Attained				
Occupational Level	High School Diploma	Associate's Degree	Bachelor's Degree	Graduate Degree
Archeologists	0.00%	0.00%	66.67%	33.33%
Senior Archeologists	0.00%	0.00%	7.69%	92.31%
Historians	0.00%	0.00%	28.57%	71.43%
Senior Historians	0.00%	0.00%	33.33%	66.67%
Library Assistants	35.14%	2.70%	59.46%	2.70%
Librarians	64.63%	8.54%	12.20%	14.63%
Senior Librarians	3.13%	0.00%	3.13%	93.75%
Archivists	0.00%	0.00%	50.00%	50.00%
Senior Archivists	16.67%	0.00%	0.00%	83.33%
Exhibit Technicians	25.00%	4.17%	54.17%	16.67%
Museum Curators	0.00%	0.00%	0.00%	100.00%

Chapter 1-D
Importance of Proper Employee Classification

The State of Texas spends more than $5 billion annually on compensating state employees (excluding employees at institutions of higher education). Therefore, ensuring that employee pay is managed appropriately is important. To help with this, the State has developed a classification and compensation structure that is reviewed and updated each biennium. This structure creates order and equity regarding appropriate employee classification and pay throughout the State.

With a valid and sound classification and compensation structure in place, the proper classification and compensation of positions are important in reducing the financial and business risks that can be associated with the inappropriate use of the State's classification and compensation system (see text box).

Types of Risks to the State

Financial – How was the money spent?
Business – How does the agency conduct business?
Service – What services did the citizens get for the money?

Misclassified positions pose a financial risk in the form of additional costs to the State. These costs could occur when agencies (1) classify positions in a wrong class series or at too high of a level in a class series for compensation purposes, regardless of proper classification, or (2) classify positions at too low of a level in a series, resulting in employees' performing at higher levels than they are paid for, which could lower motivation and productivity and increase turnover costs.

If there were no classification and compensation structure, a business risk would be created because agencies would be able to make random salary and job placement decisions. The result would be a chaotic structure that would be detrimental to an organization's efforts to achieve its mission and strategic goals. It would also create legal risks associated with inequitable pay decisions.

When a valid and sound classification and compensation structure is in place and used appropriately, the classification and compensation system can be effective in influencing organizational behavior and goal attainment. Each organization would be able to carefully plan for, attract, and retain talent. This is critical because employee compensation can be the greatest expense of doing business.

Appendices

Objective

The objective of this classification compliance audit was to determine whether agencies conform to the Position Classification Plan in ensuring proper classification of positions.

Scope

The scope of our review included employees classified within the Archeologist, Historian, Library Assistant, Librarian, Archivist, Exhibit Technician, and Museum Curator class series. We also reviewed positions that agencies identified as performing similar work but that were classified in other class series.

Methodology

In determining whether positions were appropriately classified, we reviewed the following:

- State job descriptions

- Surveys completed by employees and verified by their supervisors

- Internal salary relationships

The State Classification Office uses the classification method of job evaluation when reviewing positions and determining proper classifications. These determinations are primarily based on the comparison of duties and responsibilities being performed with the state job description for each position.

When determining proper classification, the State Classification Office does not focus on specific differences between one level and the next in a class series (for example, Librarian I versus Librarian II). We consider whether an employee is appropriately classified within broad responsibility levels, such as Staff Librarian versus Senior Librarian.

Additionally, an agency's internal job evaluation process and career ladders should not drive determinations of proper classification. The State's classification and compensation system is intended to provide an overall framework of appropriate pay for specific duties performed. An agency's job evaluation process and career ladders should support the overall concept of the State's system.

The State Classification Office has an automated job evaluation process. We populated a database with information about the employees whose positions were reviewed. Staff in agency human resources departments verified the information in the database to ensure that all positions were included. Employees were then notified to complete on-line surveys. Employees were allowed to add duties they perform

that were not listed in the survey, and they also identified the percentage of time they spend performing their duties. Supervisors were automatically notified to complete their reviews of the employees' surveys.

Completed survey results were entered into the automated job evaluation system, which made an initial determination of whether the positions were appropriately classified, and agencies were given an opportunity to review and address potential misclassifications. To address each potential misclassification, agencies could reclassify an employee to a class title consistent with the work performed, change an employee's duties to conform to the assigned class title, or provide justification that an employee was appropriately classified.

State agencies had a 100 percent completion rate of returned surveys for this audit. However, one agency did not meet our deadline—the Historical Commission (agency number 808). All agencies met our deadline in addressing potential misclassifications.

We also conducted spot audits with and made follow-up calls to selected agencies to determine and validate proper classification of positions and to gather additional information to resolve discrepancies.

We would like to commend the Department of Criminal Justice, which had the largest number of employees within the scope of the audit yet submitted completed surveys and responses to potential misclassifications prior to our deadlines.

Demographic and salary comparison graphs for the State's library and records positions can be found at the following Web site: http://www.hr.state.tx.us/Compensation/classaudit.html.

Project Information

This classification compliance audit was not conducted in accordance with generally accepted government auditing standards. This audit was conducted under the requirements of Government Code Section 654.036 (3).

The following employees of the State Auditor's staff prepared this report:

- Juliette Torres, CCP, PHR, Project Manager

- Lynne Ballman, CCP, CISA

- Kristen Lanum

- Sharon Schneider, PHR

- Dave Simmons, CISA

- Tony Garrant, PHR, Acting State Classification Officer

Career ladder – Provides upward mobility within the same position within a class series when each level in that ladder can be differentiated in terms of duties, responsibilities, and requirements.

Class title – An individual job within a class series.

Class series – A hierarchical structure of jobs arranged into job classes involving work of the same nature but requiring different responsibility levels.

Classification method of job evaluation – A method that compares jobs on a "whole job" basis. Predetermined class descriptions are established for a series of job classes, and a job is placed in whichever classification best describes it.

Duties restructured – Rearranging an employee's duties so the duties are more in line with the employee's current job classification. This usually occurs when an employee is misclassified and the agency restructures duties so that the employee can remain in his or her current class title and still be properly classified.

Incumbent – A person occupying and performing a job.

Job evaluation – A formal process by which management determines the relative value to be placed on various jobs within the organization.

Misclassification – Occurs when a job is not currently in the proper job classification for the duties currently being performed.

Position – The total duties and responsibilities requiring the employment of a single employee. If an organization has 20 people performing jobs as Administrative Assistants, then that organization has 20 Administrative Assistant positions.

Reclassify – The (re)assignment of a job to a higher or lower grade or range in the organization's job hierarchy. Reclassifications need to occur when employees are performing duties that fit better within another job classification.

Senior level duties – Job duties that typically require a high level of responsibility, training, experience, and competence. A senior level employee possesses and applies broad and comprehensive knowledge of principles, practices, and procedures and performs advanced and/or supervisory work that involves minimal supervision and direction.

Spot audit – Used to gather more information to determine proper job classification; spot audits are usually conducted on site.

Staff level duties – Job duties that typically require previous training or experience. Specific skills are often required, and positions require limited supervision.

An "X" indicates that the agency has employees classified within the class series.

Table 4

Agency No.	Agency	Archeologists	Historians	Library Assistants	Librarians	Archivists	Exhibit Technicians	Museum Curators
243	State Law Library			X	X			
302	Office of the Attorney General			X	X			
305	General Land Office	X			X			
306	Library and Archives Commission		X	X	X	X		
332	Department of Housing and Community Affairs					X		
401	Adjutant General's Department		X				X	
405	Department of Public Safety			X	X			
411	Commission on Fire Protection				X			
453	Workers' Compensation Commission			X	X			
454	Department of Insurance				X			
455	Railroad Commission				X			
473	Public Utility Commission				X			
501	Department of Health				X			
529	Health and Human Services Commission				X			
538	Department of Assistive and Rehabilitation Services				X			
582	Texas Commission on Environmental Quality				X			
601	Department of Transportation	X	X		X			
655	Mental Health and Mental Retardation				X			

Table 4

Agency No.	Agency	Archeologists	Historians	Library Assistants	Librarians	Archivists	Exhibit Technicians	Museum Curators
696	Department of Criminal Justice			X	X			
771	School for the Blind and Visually Impaired			X				
772	School for the Deaf				X			
802	Parks and Wildlife Department	X				X	X	X
808	Historical Commission	X	X		X			X
809	Preservation Board						X	

Copies of this report have been distributed to the following:

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The Honorable Steve Ogden, Senate Finance Committee
The Honorable Thomas "Tommy" Williams, Member, Texas Senate
The Honorable Talmadge Heflin, House Appropriations Committee
The Honorable Brian McCall, House Ways and Means Committee

Office of the Governor

The Honorable Rick Perry, Governor

Office of the Comptroller of Public Accounts

The Honorable Carole Keeton Strayhorn, Comptroller
Mr. Billy Hamilton, Deputy Comptroller